Vision-100 FAA Reauthorization



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What is VALE?

- New permanent program
 - Began October 1, 2004 for FY '05
- Expansion of AIP and PFC eligibility (not a budget)
 - Voluntary "stand-alone" projects as well as traditional "environmental mitigation"
 - Mobile sources
- Clarification of procedures
 - AIP Handbook (pending Order 5100.3B, Chg. 2, Sec. 585) & PFC Part 158 rev's
 - Easier documentation and justifications (SIPs, mitigation requirements, other documentation)



Environmental and and Energy Importance





- Air quality is a growing issue (with noise)
 - Earlier and greater emission reductions
 - All ground-based sources at airports except for aircraft
- Air quality and airport improvements can happen together
- Less reliance on foreign oil imports



Major Incentives for Early Action to meet Clean Air Act

- More Federal \$\$ and resources
- Airport emission reduction credits

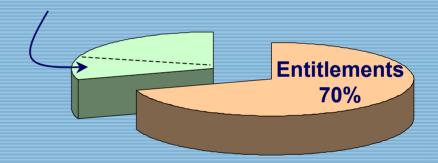




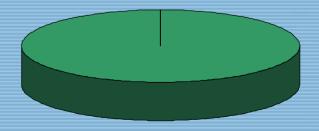
Two Major Airport Funding Programs

Airport
Improvement
Program (AIP)
About \$3 Billion/yr.

30% Discretionary
1/3 is "noise and air quality set-aside"



Passenger Facility
Charges (PFC)
About \$2 Billion/yr.

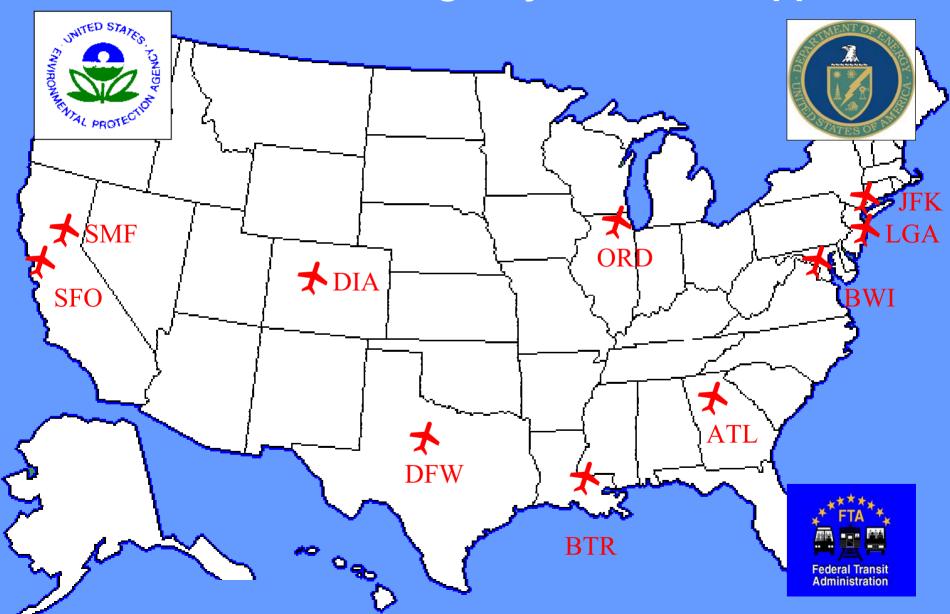




Challenges

- Expanding to a national program
 - One-third (34%) of commercial service airports are located in nonattainment or maintenance areas -41 of the 50 busiest airports
- Allowing more alternative and clean conventional fuels, plus hybrid vehicles
- Developing low-emission vehicle standards
- Concluding a national agreement with EPA on airport emission credits
- Integrating Vision-100 emission provisions
 - Clean Air Act
 - General Conformity and NSR regulations
 - AIP and PFC requirements

VALE is based on AIR-21 ILEAV Pilot with other Federal agency technical support





General Eligibility

- Only one EPA classification needed
 - e.g., Portland is a CO maintenance area
- Airport-dedicated
- Infrastructure
 - Airport-owned (PFC lease option)
 - Primary emissions purpose
- Airport usage commitments
- Standard Grant Assurances (AIP) and Funding Requirements (PFC)
 - Guidelines in AIP Handbook (Order 5100.38B) and PFC Part 158
 - Grants/funds spent appropriately on a timely basis
 - Enforcement (termination for cause/ convenience)

Special Conditions



- 1. Equipment labeling (vehicles and infrastructure)
- 2. Vehicles remain at airport for useful life (average years provided)
- 3. Tracking and monitoring
- 4. Replace in-kind or cleaner



Airports are a microcosm of the national fleet





















Vehicle Eligibility

- Airport GSE and GAV
 - No vehicles operating regionally (e.g., per. cars, taxis, limos, super shuttles)
 - No O&M costs
 (e.g., fuel, battery replacement)
- New vehicles must be EPA-certified to meet VALE standards
 - Incremental costs only no base costs
- Retrofits for existing vehicles must be EPA-verified
 - Full cost of retrofit technology
 - EPA web site:

www.epa.gov/otaq/retrofit
(see technology, verified products)



Individual New Vehicle Low-Emission Standards

- Based on national low-emission vehicle fleet standards
- Emissions performance per vehicle for long-term gains, not incremental ones
- Simplified (tail pipe emissions only)
- Reflects existing EPA standard-setting
 - Weight classes
 - On-road vs. non-road
 - Spark (gasoline) vs. compression ignition (diesel)
- Provides "safety net" to ensure cost-effective vehicle acquisitions regardless of fuel choice



Alternative Fuels for AIP

Vision-100, AIP-Sec. 159(d)

"Low-emission technology ...that relies exclusively on alternative fuels that are <u>substantially non-petroleum based</u>, as defined by the Department of Energy, but not excluding hybrid systems..."

Defined by DOE EPAct

- Fuel neutral
- Alternative fuels are wellsuited to airports
 - Centralized traffic patterns
 - Available land for refueling stations

Eligible Alt. Fuels

- Electric
- Natural Gas
- Propane
- Ethanol 85
- Methanol 85
- Hydrogen
- Coal-derived liquids
- Biodiesel (B100)
- P-series
- Hybrid Technology



Vehicle Eligibility Varies by Funding Source

AIP Vehicles

- New vehicles
- AFVs and hybrids
- Airport-owned

PFC Vehicles

- New and retrofit
- AFVs, hybrids, and clean conventional
- Airport-owned and tenant-owned







AIP GSE Retrofit Pilot Program

GSE retrofits

- Cleaner technology and fuels
- Tenant ownership and supporting infrastructure allowed
- 10 commercial service airports in NA/MAs
 - Each grant up to \$500,000
- Selection criteria similar to VALE
 - Cost effectiveness
 - EPA-verified control technology
 - State emission credit assurance
- Project approval by Headquarters 15

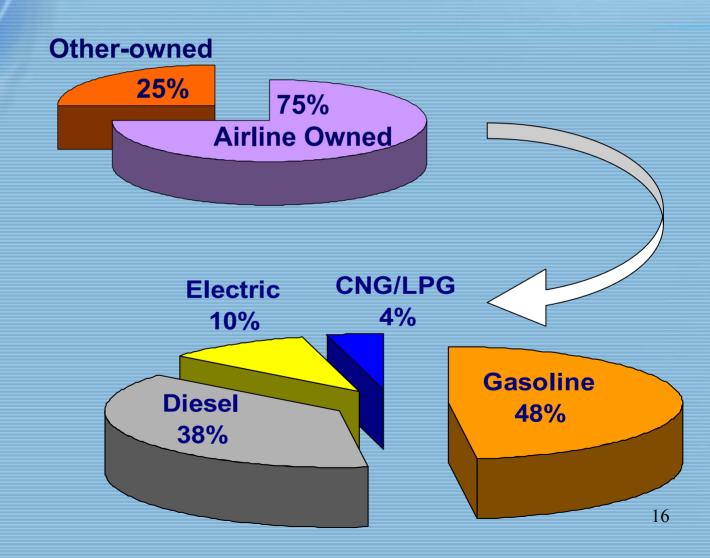




GSE by Owner & Fuel Type

(about 72,000 total units - average age of 9 -10 years)







Eligible Infrastructure Examples



Replaced by...







Emissions reduced by...





- Refueling/recharging stations (public access possible)
- Conversions of airport power plants, generators, and other combustion sources to cleaner fuels
- Public transit lines/connections (only portion on airport property)



Agency Coordination



Project planning

Implementation

Tracking

Airport Sponsor

FAA

EPA

National program guidance

AIP/PFC funding approval

Compliance

State AQ Agency

Verify surplus reductions

Relation to SIP

AERC issuance

- National AERC guidance
- Low-emission technology certification
- FAA standards support



FAA Funding Contingent on State/EPA Credit Guarantee

AERCs alter the old "dynamic"

Why should the sponsor voluntarily expend mitigation measures that could help later?

Sponsors can use AERCs for:

- General Conformity
- New Source Review

Vision-100 AERC requirements

- Consistent nationally
- Meet CAA criteria: quantifiable, surplus, permanent, Federally enforceable
- Issued on a timely basis
- Available to ILEAV projects retroactively 19





Sponsor Project Application Checklist



- State AERC letter of assurance to FAA
- Cost-effectiveness (deployment not R&D)
- Program low emission vehicle standards
- Alternative/cleaner fuels
- Airport-dedicated vehicle & use commitments
- Nonattainment/maintenance area
- Commercial service airport



Program Management and Information

- Managed by FAA regional offices
 - Regional funding approvals
- Documents available at: www.faa.gov/arp/environmental/vale
 - List of eligible airports
 - AIP and PFC announcement letters
 - FAA Technical Report
 - V1.1 update pending
 - ✓ FAA evaluation checklist
 - ✓ PFC timeframes
 - ✓ Clarification of eligible AIP expenses
 - EPA/FAA AERC Report
 - Worksheets and label
- Supported by EDMS V4.2